

State of the City 2005

Mayor Jerry E. Abramson

Downtown Rotary Club

Noon Thursday January 20, 2005

Good to see all of you here today It is always an honor to address the 14th largest Rotary club in the United States.

The state of your club is clearly healthy.

And so is the state of our city.

In some ways, my January visits with you – these annual State-of-the-City reports – are like shareholder meetings.

I report highlights of the past year to you ...the citizen-stakeholders of our community. I tell you which of our investments have already begun to pay off ... in exciting ways ... as we go about the business of making our hometown the best it can be.

And I also tell you about other investments of time and tax dollars... teamwork and faith ... that are longer-term ... that we expect to pay off ... in exciting ways...down the road.

In the short term... we trimmed our city government workforce by 10 percent over the two years since our new city of Louisville was born ... and thereby immediately reaped savings to invest in services.

In the medium-term... if we attract a new manufacturing plant to Riverport ... 1600 new call-center jobs to our eastern suburbs ... and hundreds of new apartments and condos downtown ... as we have in the past year ... clear benefits are enjoyed by our hometown.

On the other hand...if we aim to lift up educational attainment across our community... to improve air quality... to reverse decades of decline in some of our neighborhoods ... Now we are talking about long-term investments ... with a long time horizon.

And one lesson I've learned . . .as I start my 16th year as Mayor.... is a healthy respect for both the timeline...and the rate of return.... that come when we invest in those kinds of bold long-term goals... like dreaming about the rebirth of our waterfront

two decades ago ... and seeing it transformed into a park that today delights a million visitors a year ...or dreaming more than 15 years ago about an airport to transport us into the 21st century ...and seeing its expansion pave the way for improved passenger service as well as UPS becoming our largest employer . . . and a catalyst for even more jobs throughout our region. Bold goals, big long-term returns.

AS THE CEO of our hometown, I can tell you that we have made exciting progress over the past year that puts us in a strong position to move our community forward in the months and years ahead to reach the strategic goals that I set out for you two years ago in my state of the city speech: To bring our community together and to keep our residents safe. To keep and attract well-paying jobs ... and promote education. To strengthen our families and neighborhoods And to commit ourselves to creating a quality of life that lifts Louisville to the top tier of America's cities.

As we look at the past year ... and at the year ahead of us, let's start with our Number 1 priority: Keeping our entire community safe.

- We have committed more funds than ever before to the Louisville Metro Police Department.
- We're hiring civilians for office jobs so we can get more police on the street.
- We've improved training for our police officers.
- And we're investing in the tools – from technology to tasers – that they need to do their jobs well.
- Chief White and his officers are also making C.O.P. – community-oriented policing – S.O.P --- standard operating procedure. What does that mean? A partnership between citizens and police. Forming block-watch groups. Reporting problems – using our new 24-hour tip line, 574-LMPD. Even connecting to new outreach programs in the months to come ... so you get e-mail bulletins if car thefts spike in your neighborhood or ATM robberies rise. A city with thousands of citizens on patrol can't lose ground to crime.

When it comes to keeping our citizens safe, 2005 will see our new MetroSafe system begin to take shape. Improvements that come on line during 2005 will start to interconnect the communications systems of our first responders for the first time and deliver life-saving benefits -- whether there's a medical emergency, a fire, a hazardous spill or a weather crisis that requires a half-dozen agencies to swing into action.

Another priority with life-saving implications is the consolidation of our emergency medical services: Our new EMS director, Dr. Neal Richmond, is on the job and on target to help us create one new medically driven system that covers our entire community and offers the best possible care to our citizens. I believe Louisville Metro EMS will become a national model for delivering emergency medical care.

If public safety is job number 1 for city government, economic development is job number 1 ...day in and day out ... for me, personally. As I review my schedule, no other commitment of time comes close ... to the quiet, steady work it takes ... over time ...on strategic initiatives aimed at keeping our local economy vibrant.

For Louisville to prosper, it's important to retain the jobs we haveto help local companies expand... and to look for ways to attract new jobs to our hometown.

- So I talk regularly with companies that might want to move here – or expand. During one trip to California last summer, for example, I visited the BIO science business expo in San Francisco, along with our governor and the presidents of U of L and UK...and met with a half-dozen businesses in 4 cities in over 3 days.
- I connect with our fastest-growing local companies ... from Thornton's Oil and MedVenture to Texas Roadhouse and Fellon-McCord & Associates... to see what we can do to help them flourish. The Mayor's High Impact program, in partnership with Greater Louisville Inc., reached out to more than 50 of Louisville's fast-growing companies last year.
- I'm excited about our new city program to make commercial corridors more vibrant – whether it's recruiting a new restaurant for PRP or bringing new investment to the Bardstown Road site left by Bashford Manor Mall.
- I've been involved for a dozen years with our life-science research initiatives – which hit a couple home runs lately. We attracted a new venture capital fund to town and saw a British company pay more than \$20 million for Aptamera, a local company that develops cancer drugs and had its roots of development at our life-sciences business incubator. Last week, I went to the first board meeting for a medical imaging company called 3DR, which just spun out of that life-science incubator ...and expects its workforce to grow from a handful today to 10 to 15 employees within a year ... and 200 to 300 employees in 5 to 7 years. Those kinds of success stories are a strong

endorsement of our long-term investment in the life sciences in partnership with U of L, the state and Norton and Jewish hospitals.

- Throughout this past year, we have also worked hard to keep the heart of our city – downtown – strong. And boy, is this an exciting time downtown! Fifteen years of community commitment is paying off around every corner...with roughly \$900 million in investment ...\$800 million of it private ...over 3 years.
 - 4th Street Live expects to greet 4 million visitors its first year...
 - The Frazier Historical Arms Museum says it's welcoming 10,000 people a month ...
 - The Ali Center and plaza are scheduled to open this year...
 - We'll cut the ribbon for 3 new downtown hotels this year ...and dedicate the beautifully renovated Galt House Hotel & Suites...
 - And roughly 20 downtown housing projects are in the works ...ready to welcome roughly 1500 new downtown residents.

Years ago, we believed public investment in waterfront park and Slugger Field would be a catalyst for private investment near the river and east of downtown. It worked.

- When it comes to bold goals and big potential dividends, the biggest potential economic development news of the past year is our work to arrange a public ownership proposal for LG&E. If its owner, German energy giant E.ON, decides it wants to sell, we want to keep those 1800 jobs, its local headquarters and our low utility rates. And we would love to see the difference between the company's income and costs stay right here ... invested in Kentucky ... not in the stock portfolios of shareholders around the world.

You know better than anyone that job attraction is linked to education. No investment pays off more in the long run ... for individuals and communities. I know your club is working towards 100 percent participation in our community-wide Every1 Reads initiative. Good for you! The city is involved, too ... from our library's new Reading Power program for preschoolers.... to tutoring at our community centers ... to dozens of city employees serving as volunteers.

I've urged others to become mentors to at-risk high school students over the years. Well, I took my own advice: Late last year, I became a mentor ...to a terrific young man.

I mentioned "quality of life" earlier. I said we are committed to strengthening families, enhancing neighborhoods and creating a quality of life that lifts Louisville to the top tier of America's cities

That's a tall order, even for a city like ours that already has so much going for it ... from a lively arts scene . . . to vibrant neighborhoods . . . to recreation offerings that include the nation's largest municipally owned forest ...and one of the nation's best Olmsted-designed park systems.

You don't achieve top-tier quality of life with short-term thinking. It takes concentrated investment ...over time ... on multiple fronts.

Here are some of the interconnected ways we will make progress throughout 2005 – and beyond:

- **You'll see an enhanced commitment from my administration to build on our nationally recognized park system.** Look for the city in the year ahead to improve and expand our parks and recreation offerings and begin a long-range commitment to develop a parks system that reaches out to underserved areas of our hometown.
- **We're going to make Louisville a bike-friendly city.** We will hold the city's first Bike Summit next month – the first step in a long-term commitment to make it easier, safer and more pleasant to ride your bike, whether you want to pedal through our parks ...or commute by bike to work.
- **This year we will expand our definition of strengthening neighborhoods.** We will continue to build on our community's tremendous asset of strong, vibrant urban and suburban neighborhoods, subdivisions and suburban cities. From our new neighborhood assessment program ... to conflict-resolution workshops...to Brightside neighborhood cleanups... our goal is to give citizens the tools to improve quality of life close-to-home.
- **At the same time, we are targeting neighborhoods that need our help – working in partnership with residents.**
 - Newburg residents told us 2 years ago that they were alarmed about rising crime and declining housing. We listened. With stepped-up police

patrols and more citizen involvement, we saw serious crime drop sharply. At the same time, we're improving housing in Newburg – with a significant number of houses slated for renovation this year ... down-payment assistance for new first-time home-buyers...and a new single-family subdivision under development.

- Portland is the second neighborhood we've targeted for housing revitalization. Neighborhood planning is underway.
- And ... at the eastern gateway to downtown ...the redevelopment of the Clarksdale housing projects is transforming the face of a neighborhood you may drive through on the way to work.

We all know that neighborhoods of concentrated poverty are not good for residents -- or for the health of communities. So Clarksdale, like Park Du Valle in western Louisville before it, will use federal Hope 6 funds to replace aging barracks-style public housing with a mixed-income community of homes and apartments. Our \$40 million in HOPE 6 funds will generate about \$190 million in total investment. The impact will ripple through nearby neighborhoods like Shelby Park, Smoketown and Phoenix Hill. . . as even more homes and apartments are renovated or built new. This is a team effort – with partners that include private developers, non-profits and certainly our congressional delegation. As construction fences go up and buildings come down, we are already getting calls from folks who want to get on the waiting list for the new houses and apartments in Clarksdale!

- **We will make our air cleaner this year.** You will see new initiatives move forward -- new regulations for air toxins ...and strategies for reducing ozone. Think about what it's meant for our community to clean up the ugly piles of scrap, salt and sand along our riverfront. Then think about a similar investment in cleaning up our air. We won't be the city of choice for businesses ... or a city where our children and our grandchildren will choose to settle ... unless we work aggressively with businesses and citizens to improve air quality.
- **Finally, we will move forward this year – and the following 2 years – with a list of bricks-and-mortar projects for our community that add up to quality of life improvements.** Our \$30 million Foundation for the Future initiative issued bonds to

tackle long-delayed infrastructure repairs – from broken curbs to swimming pools, from a new clubhouse at Long Run Park to fire-house repairs. Now, I know “infrastructure” is a word guaranteed to inspire sleep in a lunchtime audience. But you know how important infrastructure is if YOUR sidewalks are crumbling ... if YOUR neighborhood park shelter has a roof that’s rotting...or if yards throughout YOUR neighborhood routinely flood with heavy rain. Fewer and fewer Louisville neighborhoods will be in that boat ... as a result of MSD’s investment in neighborhood drainage improvements – a total of \$125 million over 6 years. Three hundred neighborhood drainage projects have been completed in the past two years -- and we’ll finish another 80 by July.

We have another strategic goal that I did not mention earlier: That is building regional partnerships – stronger connections with nearby counties ... and with other communities across Kentucky ... for the common good. Louisville is the heart of a 23-county economic area with 1.4 million residents: Nearly 2 out of every 3 workers in those counties commute into our hometown for their jobs. From our job market to our roads, from our educational institutions to our recreational attractions, our investments in our city have a dramatic impact on our neighbors’ lives. The same pattern is true in other parts of Kentucky, where urban areas increasingly serve as employment hubs and economic engines for neighboring counties. I have been invited to speak in northern Kentucky and Lexington, Owensboro and E-town. . . over the past 2 years ... and I have heard similar concerns: Our regional hubs power the state’s economy... yet our state formulas for distributing revenue – taxes collected for roads ... for example... are still based on a long-out-of-date rural model.

We can meet that challenge by forging new partnerships ... in 2005 and beyond. . . across county lines and across party lines.

AS YOU CAN SEE, we have accomplished a great deal .. and have set our sights high for the future.

I am proud of the work we have done. And when I say “we,” I mean city government’s workforce...our partners on the Metro Council ... and the citizens of our community. It takes teamwork to make so many good things happen in such a short time.

At the same time, we have much work still to do: To keep our city safe and healthy ... To retain, expand and attract good jobs ... To promote education ... To

strengthen neighborhoods and families and improve quality of life. . . And to build partnerships in our region across the state so we make sure we have the tools we need to serve the people who depend upon us.

I know I can depend on each of youto stay engaged ... involved ... and committed as we move forward.

I want you to know that you can also count on me to remain engaged... involved... and committed to helping our hometown be the best it can be ... as we confront our most ambitious challenges -- and make the most of our opportunities.

So with that in mind, I want to announce today that I will run for re-election next year.

While we are months away from a formal declaration, I want you to know that this is where I intend to keep investing MY time and effort ... teamwork and faith: to build on the progress we've made so far ... and to blaze some new trails together.

We can accomplish much with one united government working *for* our citizens.

But we can accomplish much, much more in partnership *with* our citizens.

I look forward to continuing to work together ... investing in our dreams together ... for our hometown.

Thanks for your support – and for having me here today.

I would be happy to answer questions as time allows.